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SUBJECT: SEOUL - PRESS BULLETIN; November 17, 2009

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Chosun Ilbo

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JoongAng Ilbo

Hyundai-Kia Automotive Group, LG Mull New Plant and Research Center in Sejong City

Dong-a Ilbo

Survey: Only 42 Percent of Opposition Democratic Party Lawmakers Polled Demand "Immediate Halt" to ROKG's Four-River Restoration Project

Hankook Ilbo

ROKG in Talks with 100 Domestic and Foreign Firms for Investments in Sejong City

Hankyoreh Shinmun

National Intelligence Service Allegedly Has 31 Pieces of Equipment for "Packet Eavesdropping," which Involves Detailed Monitoring of Internet Activity

Segye Ilbo

Discontent Grows among Companies over ROKG's Unilateral Push for Sejong City and "Green Project"

Seoul Shinmun, All TVs

Panel Starts Sejong City Review

DOMESTIC DEVELOPMENTS

A key Blue House official said yesterday that (Seoul) expects to move the KORUS FTA forward during the Nov. 19 ROK-U.S. summit in Seoul, adding that concrete measures are still under discussion with the U.S. (Chosun, Hankyoreh)

According to a Ministry of Knowledge Economy official, the ROKG recently asked the U.S. Embassy in Seoul about additional U.S.

demands for the further opening of the ROK automobile market, but the U.S. reply did not differ greatly from the existing KORUS FTA. (Dong-a)

Defense Minister Kim Tae-young told the National Assembly yesterday that it is a shame that the previous Roh Moo-hyun Administration withdrew ROK troops from Afghanistan. (JoongAng)

The main opposition Democratic Party, meanwhile, decided yesterday to oppose the ROKG's decision to redeploy troops to Afghanistan. (JoongAng, Hankook, Hankyoreh)

MEDIA ANALYSIS

-President Obama's Asia Trip

Most ROK media covered President Barack Obama's Nov. 16 meeting in Shanghai with Chinese college students, reporting that both President Obama and the students sidestepped sensitive issues, including human rights, Tibet and cross-strait ties between China and Taiwan. President Obama was quoted as saying: "The two nations have faced lots of challenges and frustrations. They also had some conflicts of opinion. But that does not mean that they are rivals."

Conservative Dong-a Ilbo, in particular, noted President Obama's remarks, "I believe unrestricted Internet access is a very

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significant issue. I think that the more freely information flows, the stronger the society becomes. ... Unrestricted Internet access is a source of strength," and interpreted them as indirect criticism of the Chinese government for frequently censoring the Internet.

Regarding President Obama's upcoming visit to Seoul, conservative Chosun Ilbo and left-leaning Hankyoreh Shinmun quoted a key Blue House official as saying yesterday that (Seoul) expects to move the KORUS FTA forward during the Nov. 19 ROK-U.S. summit in Seoul.

Conservative Dong-a Ilbo carried an op-ed that said: "Since North Korea tends to 'back-load' important denuclearization steps and to return to the starting point in defiance of an agreement, (Seoul) needs to emphasize the importance of getting the North to 'frond-load' significant denuclearization steps during President Obama's visit to Seoul. ... In a situation where China is emerging as the hub of regional cooperation in East Asia and discussions are making progress on an East Asia community, the KORUS FTA, which is the first free trade deal between the U.S. and an Asia-Pacific country, will boost America's strategic position in Asia. ... There is a possibility that the delayed U.S. ratification of the KORUS FTA may weaken America's influence in the region, leading to the U.S. losing an opportunity to secure an important bridgehead in the region."

OPINIONS/EDITORIALS

TASKS DURING PRESIDENT OBAMA'S VISIT TO SEOUL

(Dong-a Ilbo, November 17, 2009, Page 38; Excerpts)

By Han Seung-joo, Korea University Professor and Former Foreign Minister

Joint Response Needed Against North Korea's Strategy to Delay Denuclearization

During President Obama's summit with the ROK, his last stop on a whirlwind tour of Northeast Asia, he is expected to seek understanding and support of U.S.-North Korea bilateral dialogue. He will also listen to the purpose and details of President Lee Myung-bak's "grand bargain" proposal and express his support for the comprehensive plan. Based on this, the two leaders are expected to devise a road map for future bilateral and multilateral negotiations

with the North and cooperation plans between the ROK and the U.S. and between the ROK, the U.S., and Japan in addressing the North Korean issue.

The ROK agrees with the U.S. judgment that U.S.-North Korea bilateral dialogue is a way to confirm North Korea's commitment to denuclearize and bring the North back to the Six-Party Talks. However, since North Korea tends to 'back-load' important denuclearization steps and to return to the starting point in defiance of an agreement, (Seoul) needs to emphasize the importance of getting the North to 'frond-load' significant denuclearization steps during President Obama's visit to Seoul.

Second, President Obama's visit to Seoul will serve as an opportunity to reaffirm the ROK-U.S. alliance and spotlight strong mutual trust in their future visions. Under the previous administration, the ROK-U.S. alliance suffered more troubles than the U.S.-Japan alliance did. However, after the launch of the Hatoyama Administration, the U.S. and Japan are undergoing some discord, consequently giving more weight to the ROK-U.S. alliance.

Regarding the transfer of the wartime operational control, the ROK and the U.S. already set the deadline of 2012, but they should stress a need to go beyond the agreement to check regularly if the OPCON transfer would be appropriate in 2012 and examine the conditions that could affect the OPCON transfer, such as the situation in the North and North Korea's policy toward the U.S. We should note that in the late 1970s, then-President Jimmy Carter's

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decision to pull U.S. troops out of the Korean Peninsula was put on hold after being partially implemented, and in early 1990, Washington halted the troop withdrawal process, which was carried out in accordance with the East Asia Strategic Initiative (EASI), due to the eruption of the North Korean nuclear issue. If the North succeeds in developing an Intercontinental Ballistic Missile (ICBM) in its additional provocations, the two nations can reconsider the timing for the OPCON transfer and the dissolution of the ROK-U.S. Combined Forces Command until a peace regime is established on the Korean Peninsula.

Third, leaders from the U.S. and the ROK need to stress strategic implications of the KORUS FTA. In a situation where China is emerging as the hub of regional cooperation in East Asia and discussions are making progress on an East Asia community, the KORUS FTA, which is the first free trade deal between the U.S. and an Asia-Pacific country, will boost America's strategic position in Asia. Even though lawmakers are the ones that ratify the free trade pact, the (Obama) Administration should actively intervene to play a decisive role (in the ratification.) The Obama Administration should realize what advantages the KORUS FTA will bring to the U.S. economically and strategically and what disadvantages a failed ratification will produce. There is a possibility that the delayed U.S. ratification of the KORUS FTA may weaken America's influence in the region, leading to the U.S. losing an opportunity to secure an important bridgehead in the region.

THINGS OBAMA SHOULD DO IN SEOUL
(Chosun Ilbo, November 17, 2009, Page 38)

By Washington Correspondent Lee Ha-won

The Seoul itinerary of U.S. President Barack Obama, who arrives Wednesday evening, is simple. A summit with President Lee Myung-bak and a visit to the U.S. Forces Korea base are pretty much all there is. The last leg of his eight-day Asia tour, his stay in Seoul will barely last 24 hours.

There will be no event like the Ewha Womans University lecture Secretary of State Hillary Clinton gave earlier this year, and nothing like the town hall meetings Obama held in Tokyo on Saturday and in Shanghai on Monday.

But that need not be seen as a sign of neglect. Obama feels that a

relationship of trust has already been established in meetings with Lee during the G20 conference in London in April and Lee's visit to Washington in June. The "vision" for the Korea-U.S. alliance based on shared beliefs and trust in free democracy and the market economy, announced at the June summit, already strengthened the bilateral relationship.

But it is a pity that Obama, who is so aware of the changing world order, will not have a chance to see more of Korea. He has expressed interest in the country on many occasions, but most of it was from indirect experience.

Hopefully, even his busy itinerary will allow him to see two things in Korea. First, since he thinks the Korean automobile market is closed, let him watch the foreign cars that throng the streets of Seoul, the car parks of hotels, and the European car dealerships scattered around Seoul. Perhaps he will, have a chance to meet some Koreans in person and listen to their views about the foreign cars they want to buy.

American political leaders including Obama still feel that an "invisible hand" is at work in the auto trade imbalance between the two countries. U.S. Trade Representative Ron Kirk, in a Chamber of Commerce address on Nov. 5, used the phrase "legacy of Korea's long-closed market," in referring to the issue in the Korea-U.S. Free Trade Agreement. If Obama observes the Korean car market, which is quite open to efficient and affordable foreign cars, he may be able to find a breakthrough in getting the FTA ratified.

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And if he takes a helicopter at the USFK base in Yongsan, he could be at the truce village of Panmunjom in the demilitarized zone within half an hour. Could he not deliver a historic speech, much as former president Ronald Reagan did in front of the Berlin Wall in 1987?

Or instead, a meeting with North Korean refugees who have settled down in the South would also be significant. If he met them, he would be able to recall former World Bank president Paul Wolfowitz's suggestion that the "Indochinese model" that accommodated a host of refugees in the 1970s be applied to North Korean refugees.

Peruvian President Alan Garcia, who visited Korea last week, was so charmed by the country that he stayed one more day. Though the American president, who is busier than anyone else, won't be able to do so, perhaps he could let his private airplane stand by for a few more hours to invest as much time as he can afford in Korea-U.S. relations.

OBAMA'S WARNING AND PROPOSAL OVER N. KOREA
(Hankook Ilbo, November 17, page 38: Excerpts)

By Chief Editorial Writer Kang Byung-tae

In a speech during his visit to Japan, U.S. President Obama said, "We will not be cowed by threats." He added, "North Korea has chosen a path of confrontation and provocation. We have tightened sanctions on Pyongyang. We have passed the most sweeping UN Security Council resolution. North Korea's refusal to meet its international obligations will lead only to less security - not more."

President Obama delivered a speech outlining the U.S.'s Asia policy at Suntory Hall in Tokyo. His specific remarks on North Korea may indicate whether U.S. relations with North Korea will veer away from confrontation and move toward dialogue.

President Obama also said, "There is another path that can be taken. The U.S. is prepared to offer North Korea a different future. Instead of an isolation that has compounded the horrific repression of its own people, North Korea could have a future of international integration. Instead of gripping poverty, it could have a future of economic opportunity - where trade, investment and tourism can offer the North Korean people the chance at a better life. And instead of

increasing insecurity, it could have a future of greater security and respect." It seems that President Obama tried to take a balanced approach to the North Korean issue by using an appropriate measure of warnings and proposals.

We should examine the Obama Administration's North Korea policy first.

Last month, the East Asian Institute at Columbia University and the U.S.-Korea Institute released a report, "The U.S.'s North Korea Policy." The report was authored by Joel Wit who served as Senior Advisor to Ambassador Robert L. Galluci during the Clinton Administration. It is uncertain to what extent the Obama Administration's North Korea policy reflects the report. But the report may shed light on why the Obama Administration has sometimes made confusing moves.

The report assumes that an effective North Korea policy requires a two-track strategy of strict measures and serious dialogue. North Korea harbors a deep distrust of the U.S. while pursuing nuclear development due to concerns about the security of its regime. Therefore, negotiations with North Korea will not lead to the country giving up its nuclear ambitions soon. In addition, the report recommends that the U.S. should make sure that it will not recognize North Korea as a nuclear state and should gradually build trust with North Korea. The report notes that the Obama Administration should learn the lessons from the Bush Administration, which, in his second term, rushed to talk with the North on denuclearization but failed.

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The report observes that North Korea is less likely to respond to economic incentives than before due to increased aid from China. Therefore, it may be better for the U.S. to take action to respect the sovereignty of North Korea, which the country covets dearly, by elevating the level of diplomatic contact gradually. The report says that the U.S. should establish trust through dialogue with the North while engaging in extensive discussions on important issues including economic aid. In short, according to the report, the U.S. should push for both pressure and dialogue without making haste.

The U.S.'s official moves are likely to be different from its behind-the-scenes moves. The U.S. and the ROK do not have the same interests in the North Korean issue. We should not just criticize the ROKG without discussing effective ways to deal with the North Korean nuclear issue.

FEATURES -----

SEOUL HAS HOPES FOR FTA FROM KOREA-U.S. SUMMIT
(Chosun Ilbo, November 17, 2009, Page 6)

By Reporter Joo Young-joong

A key Cheong Wa Dae official on Sunday said he expects more concrete progress on the Korea-U.S. FTA from the meeting between President Lee Myung-bak and his U.S. counterpart Barack Obama in Seoul on Thursday. The official said at a November 16 briefing about the upcoming ROK-U.S. summit, "Since President Obama said in Tokyo on November 14 that 'He will try to move forward the FTA,' we think that the U.S. is committed (to the FTA), and therefore, we have such expectations." Trade Minister Kim Jong-hoon and U.S. Trade Representative Ron Kirk met last weekend at the Asia-Pacific Economic Cooperation Summit in Singapore and discussed how to take the epically delayed FTA forward.

"We delivered our expectations about the FTA to the U.S. side," the official said. "The details can't be revealed at this point because we're still in negotiation with the U.S., but since two years have passed from the time both governments signed the FTA, our position is that it should come into effect soon," adding, "We should watch what President Obama is going to say during his press conference."

Another official said Seoul hopes for a "sincere" response from Obama to calls for quick implementation of the FTA. The five major issues on the agenda for this summit, the official said, are the FTA, North Korea's nuclear program, cooperation on the G20 Summit, ways to tackle climate change, and developing the alliance.

(This is a translation provided by the newspaper. We have compared the English version on the website with the Korean version and added some sentences in English to make them identical.)

ROKG OFFICIAL: "ADDITIONAL U.S. DEMANDS FOR AUTO MARKET OPENING DO NOT DIFFER GREATLY FROM EXISTING KORUS FTA"
(Dong-a Ilbo, November 17, 2009, Page 6)

By Reporters Han Sang-joon and Chang Kang-myung

It has been learned that the ROKG recently inquired about additional U.S. demands for the further opening of the ROK auto market through the U.S. Embassy in Seoul.

A Ministry of Knowledge Economy official said on November 16, "Although the ROK-U.S. Free Trade Agreement (FTA) has already been signed, there is a growing voice in U.S. political circles for the further opening of the ROK auto market, and therefore, we asked the U.S. Embassy in Seoul about the U.S.'s specific demands," adding, "We read additional U.S. demands in a letter from the Embassy, but they were not greatly different from the ROK-U.S. FTA."

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The official said that the letter did not contain new demands in addition to the FTA provisions that (the ROK's) auto tariffs should be eliminated right after the FTA goes into effect and that the (ROK's) current five-tier tax based on engine displacement should be simplified into a three-tier system.

Previous to the Ministry's inquiry, U.S. Trade Representative Ron Kirk and members of the House and Senate recently issued a series of statements on the opening of the ROK's auto market, such as "The ROK should further open up its auto market" and "The ROK-U.S. FTA should be revised." In this regard, the Ministry of Knowledge Economy said, "Since there is a growing voice in the U.S. for the further opening up of the ROK market, we made an inquiry in order to find the facts and prepare countermeasures," adding, "Since the Embassy's reply did not contain any clear demands, however, we think that the atmosphere in Washington is affected by a political situation within the U.S."

STEPHENS